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Federal Communications Commission RECEIVED

RICHMOND. VIRGINIA

Federal Communications Commission Office of the Secretary

February 27.2003

I'm Frank Blethen

I'm publisher of The Seattle Times,

The Times is a 106-year old family business.

For five generations, my family has passionately pursued a singular obligation to fulfill our public-trust responsibility to serve our communities with independent journalism relevant to them.

Democracy at Risk

I am here today because American democracy is in crisis.

It is at risk.

A democracy needs a free and independent press to survive.

In the words of a great journalist, Walter Lippman, speaking about 50 years ago:

"There is, I believe, a fundamental reason why the American press is strong enough to remain free. That reason is that the American newspaper, large and small, and without exception, belongs to a town, a city, at the most to a region."

We are fast losing our free press because few newspapers and media outlets any longer belong to a town, a city or a region.

Control and Purpose

The loss is being driven by two troubling trends.

Frank **A.** Blethen – FCC Testimony February 27,2003 Page 2

One is the egregious ownership concentration and loss of local connection for newspapers, television, radio and cable.

The other is the insidious transformation of our large media companies into ownership by Wall Street financial investors.

Wall Street has a singular and heartless purpose. Short-term earnings and stock price. Not news, not public service, and not democracy.

The specter of media dominance by a small handful of conglomerates controlled by faceless financial investors, and driven by CEO stock options, *is* enough to scare George Orwell.

Newspaper Concentration

When I started my career, there were about 1,500 newspapers in the United States, most locally or regionally owned.

Today, only 35 years later, there are only about 280 independent daily newspapers left. And very, very few serving metropolitan areas.

In the past, long-tenured publishers and editors had deep connections with the cities and regions they served.

Today, few publishers, editors or station managers come from the communities they reside in. Few stay very long.

Few publishers have news backgrounds or sensibilities.

Watchdog vs. Lapdog

America's newsrooms have been transformed from <u>democracy's watchdog</u> into <u>corporate lapdogs</u>.

One only needs to ask why FCC pleadings to relax radio and TV concentration rules, and to repeal the cross-ownership ban, have been outside the bright light of press scrutiny.

When huge corporations, lobbying only for their own financial self-interest, also control most of our newsrooms, does anybody wonder why there is a chill?

The Argument

I've heard the arguments of the proponents of cross-ownership repeal. I've noted that they are made only by large companies driven by their quest to grow ever larger.

Frank **A.** Blethen – FCC Testimony February 27,2003 Page 3

The most frequent argument is that the Internet and cable have created information and access proliferation.

This is not accurate

There are still limited sources of professional, credible news and opinion.

Indeed, the public company quest for ever higher profits has put incredible pressure on our remaining newsrooms. Most journalists believe there has been a disinvestment in news and a dumbing down of media.

The correct issue is whether we still have and can maintain well-staffed, professional newsrooms that can keep Americans informed about their communities and their country.

Getting the same, often shallow, information delivered a thousand different ways does not provide a substitute for robust, independent news generation.

This argument also ignores that single corporate entities are now using their various platforms and extensive control to simply recycle information and programming and to promote their own products, often in the guise of news.

Conclusion

I urge the Commission to return to your most basic obligation --- to ensure we preserve and nurture our democracy.

Your obligation is higger than cross ownership

But cross ownership is what is in front of us

Repeal would be a giant crack in the foundation of our democracy.

We have seen the unintended consequences of the 1996 Telecommunications Act.

We are beginning to see the negative consequences of the Commission's relaxing of other radio and TV concentration rules in recent years.

On behalf of the American public and the preservation of democracy, there is every reason to retain the cross-ownership ban.

Walter Lippman said the secret of a free press is "that it should consist of many newspapers decentralized in their ownership and management, and dependent for their support --- upon the communities where they are written, where they are edited, and where they are read."

For our democracy to survive, this is as true today as it was 50 years ago.